

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA	:	CRIMINAL NO. <u>08-148</u>
v.	:	DATE FILED: <u>August 21, 2008</u>
LAWRENCE SCOTT WARD	:	VIOLATIONS:
	:	18 U.S.C. § 2251(a) (inducing a minor to
	:	engage in sexually explicit conduct to
	:	produce visual depiction thereof – 2
	:	counts)
	:	18 U.S.C. § 2252(a)(1) (transporting and
	:	shipping depictions of minors engaged in
	:	sexually explicit conduct – 2 counts)
	:	18 U.S.C. § 1001 (false statements - 1
	:	count)
	:	Notice of forfeiture

SUPERSEDING INDICTMENT

COUNT ONE

THE GRAND JURY CHARGES THAT:

At all times relevant to this superseding indictment:

1. Defendant LAWRENCE SCOTT WARD was an Emeritus Professor of Marketing at the University of Pennsylvania's Wharton School of Business.
2. At the University of Pennsylvania, defendant LAWRENCE SCOTT WARD had an office at 700 Jon M. Huntsman Hall, 3730 Walnut Street, Philadelphia, Pennsylvania, for his exclusive use.
3. Defendant LAWRENCE SCOTT WARD had and used an e-mail account through the University of Pennsylvania with the address "wards@wharton.upenn.edu."
4. Emails sent to and from "wards@wharton.upenn.edu" went through a

server located in Philadelphia, Pennsylvania.

5. Defendant LAWRENCE SCOTT WARD traveled frequently to Thailand and Brazil.

6. Defendant LAWRENCE SCOTT WARD maintained houses in Maui, Hawaii and in Wellfleet, Massachusetts, as well as in Fortaleza, Brazil.

7. From at least on or about January 31, 2006, through on or about June 6, 2006, defendant LAWRENCE SCOTT WARD used his email account “wards@wharton.upenn.edu” to send emails to J.D., a boy who was approximately 16 years old at that time, living in Fortaleza, Brazil, using and attempting to use those emails to persuade, induce, entice, and coerce J.D. to engage in sexually explicit activity.

8. In or about April of 2006, and again in or about June and July 2006, in Fortaleza, Brazil, defendant LAWRENCE SCOTT WARD engaged in sexual activities with the minor J.D.

9. In order to induce and persuade J.D. to engage in sexual activities with him, defendant LAWRENCE SCOTT WARD provided gifts, housing, and other things of value to the boy, and to the boy’s destitute mother, advised the boy that oral sex with the defendant and other males chosen by the defendant was an important part of a “growth program,” and threatened to withdraw affection and support from the boy if he did not cooperate with the defendant’s desires.

10. In or about April 2006, defendant LAWRENCE SCOTT WARD made and caused to be made photographs of J.D. engaged in sexually explicit conduct.

11. In or about June and July 2006, defendant LAWRENCE SCOTT WARD

made and caused to be made video images of himself engaged in sexual activities with J.D.

12. Defendant LAWRENCE SCOTT WARD then transported these photographs and videos and caused them to be transported from Brazil to the United States.

13. Between on or about January 31, 2006 and on or about April 25, 2006, in Philadelphia, Pennsylvania, in the Eastern District of Pennsylvania, and elsewhere, defendant

LAWRENCE SCOTT WARD

employed, used, persuaded, induced, enticed, and coerced, and attempted to employ, use, persuade, induce, entice, and coerce, J.D., a minor, to engage in sexually explicit conduct for the purpose of producing a visual depiction of that conduct and that depiction was transported in interstate commerce and defendant WARD knew and had reason to know that the visual depiction would be transported in interstate and foreign commerce and by mail.

In violation of Title 18, United States Code, Section 2251(a) and (e).

COUNT TWO

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 12 of Count One of this superseding indictment are incorporated here.

2. Between on or about April 26, 2006 and July 8, 2006, in Philadelphia, Pennsylvania, in the Eastern District of Pennsylvania, and elsewhere, defendant

LAWRENCE SCOTT WARD

employed, used, persuaded, induced, enticed, and coerced, and attempted to employ, use, persuade, induce, entice, and coerce, J.D., a minor, to engage in sexually explicit conduct for the purpose of producing a visual depiction of that conduct and that depiction was transported in interstate commerce and defendant WARD knew and had reason to know that the visual depiction would be transported in interstate and foreign commerce and by mail.

In violation of Title 18, United States Code, Section 2251(a) and (e).

COUNT THREE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 11 of Count One of this superseding indictment are incorporated here.

2. On or about August 1, 2006, defendant LAWRENCE SCOTT WARD was in Maui, Hawaii, but planning a trip on or about August 9, 2006 to Fortaleza, Brazil. Before leaving Maui, defendant WARD caused a package to be sent by Federal Express delivery service to his own office at the University of Pennsylvania in Philadelphia which contained six DVDs, each containing a video recording of defendant WARD having sex with J.D. on different occasions.

3. Between on or about August 7, 2006 and on or about August 9, 2006, in the Eastern District of Pennsylvania, and elsewhere, defendant

LAWRENCE SCOTT WARD

knowingly transported and shipped in interstate and foreign commerce visual depictions showing minors engaged in sexually explicit conduct and the producing of those visual depictions involved the use of a minor engaged in sexually explicit conduct, that is, approximately six DVDs showing J.D. engaged in sexually explicit conduct.

In violation of Title 18, United States Code, Section 2252(a)(1).

COUNT FOUR

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 11 of Count One of this superseding indictment are incorporated here.

2. On or about August 8, 2006, at approximately 1:50 p.m., defendant LAWRENCE SCOTT WARD left Kahului, Hawaii for Brazil by way of Los Angeles, California and Dulles, Virginia.

3. While at Dulles Airport, defendant LAWRENCE SCOTT WARD caused the mailing of a package to his own office at the University of Pennsylvania in Philadelphia which contained a CD with approximately 87 photographs of J.D., approximately 49 of which were sexually explicit. On or about August 9, 2006, at approximately 9:43 p.m., defendant WARD left Dulles Airport on a flight to Sao Paulo, Brazil.

4. Between on or about August 9, 2006 and on or about August 15, 2006, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

LAWRENCE SCOTT WARD

knowingly transported and shipped in interstate and foreign commerce approximately 49 visual depictions, showing a minor engaged in sexually explicit conduct and the producing of those visual depictions involved the use of a minor engaged in sexually explicit conduct.

In violation of Title 18, United States Code, Section 2252(a)(1).

COUNT FIVE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 12 of Count One of this superseding indictment are incorporated here.

2. From March 2006 through August 2006, defendant LAWRENCE SCOTT WARD attempted to secure a visa for J.D. so that he could bring the boy into the United States.

3. On or about April 4, 2006, defendant LAWRENCE SCOTT WARD, using his University of Pennsylvania e-mail account, and invoking his title as Professor of Marketing at the Wharton School, wrote an email to the United States State Department's Consulate General in Recife, Brazil, to arrange an appointment for the boy J.D. to apply for a visa to visit the United States. Defendant WARD stated that he wanted to sponsor a "two-week vacation trip for the son of my long-time host and friend" to visit "my family on Cape Cod" in July 2006.

4. On or about July 5, 2006, defendant LAWRENCE SCOTT WARD brought the boy J.D. to the U.S. Consulate offices in Recife, Brazil, to have the boy apply for a visa. At this meeting, among other things, defendant WARD submitted a letter dated June 3, 2007 in which he claimed that the boy J.D. "is the son of a friend and business associate in Fortaleza" and that the boy J.D. would "stay with my family at our home in S. Welfleet (Cape Cod) MA." The defendant also invoked his title and role at Wharton, and explained his business in Brazil.

5. On or about July 5, 2006, the United States State Department, United States Consulate General, Recife, Brazil, denied the boy's application for a visa to visit the United States.

6. On or about July 8, 2006, defendant LAWRENCE SCOTT WARD, using his University of Pennsylvania e-mail account, sent an email entitled "Request for Assistance" to the Consulate General regarding the denial of the boy's visa. In this email, defendant WARD stated that he had accompanied the boy J.D. to an interview at the Consulate on July 5, and that the boy's request for a visa had been denied. Defendant WARD said he was writing to request assistance in re-scheduling an interview. Defendant WARD went on to invoke his title as a Professor at the Wharton School and to state that J.D.'s parents were close friends of WARD's. Defendant WARD further stated that he had formed the impression that the Consulate interviewer in Recife "might have had the idea that [J.D.]'s family is not 'well off' and that he therefore might be tempted to attempt to live in the U.S." Defendant WARD then represented in the email that the boy's family "is reasonably wealthy by Brazilian standards," and stated, as "proof that [J.D.] would return to Brazil, and never have an intention to illegally stay in the U.S.," that J.D.'s family "is quite well off." Defendant WARD said that J.D.'s father was "semi-retired from I.B.M.," and received a pension, as well as continuing to work "on a part-time, consultative basis." Defendant WARD added that J.D.'s family "owns a very nice home in an upscale suburb. . . ." Defendant WARD further stated that he would like for J.D. to re-apply for a visa, and offered to "gather additional information (i.e., bank account data, pictures of the family home, etc.) to prove he has a very comfortable life in Brazil, in order to demonstrate he has no intention of illegally immigrating to the U.S. . . ."

7. On or about July 10, 2006, in response to defendant LAWRENCE SCOTT WARD's July 8 e-mail, staff at the United States Consulate sent an e-mail to defendant WARD instructing him to have the family send in documents again so that the Consulate could have a

“second look” at the boy’s visa application.

8. On or about July 11, 2006, defendant LAWRENCE SCOTT WARD, using his University of Pennsylvania e-mail account, wrote another individual in Brazil concerning his efforts to get a visa for J.D. In that e-mail, defendant WARD reported that “the consulate in Recife wants us to show them more documents for [J.D.] again. . . . I want to show them the checking and savings account for [J.D.]’s dad. So this is my idea: “you open bank account . . . use some of the money I gave you (\$1950) to open that account. . . . Try to open the bank account in the name of [F.D.] because that is really his dad’s name. If that is not possible, I’ll have to change the name on the bank document later. . . . Make sure I can send you money from the United States into that account and ask them how much money I can send to that account each time. I think I need to send not more than \$5000 the first time, and another \$5000 the second time. I want to show the consulate that his dad is rich! . . . Make sure you can go to the bank in August and they can give you immediate proof (a statement) about how much is in that bank account. . . . so we can send it to the consulate. . . . I am going to get there in August with a lot of money and we will go to the bank and deposit that money into the bank. Immediately, I want a paper stating how much you have in the bank account.”

9. In or about August of 2006, defendant LAWRENCE SCOTT WARD caused documents, including photographs of a house which was purportedly the family home of J.D., to be brought in to the Consulate office in Recife, Brazil.

10. In or about the third week of August, 2006, the U.S. Consulate reversed its original decision, and granted J.D. a visa.

11. On or about July 8, 2006, in Philadelphia, in the Eastern District of

Pennsylvania, and elsewhere, defendant

LAWRENCE SCOTT WARD,

in a matter within the jurisdiction of the United States State Department, an agency of the executive branch of the United States, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations in that defendant WARD, in an attempt to get the State Department to grant the minor boy J.D. a visa, represented that the family of the boy was “quite well off,” and “reasonably wealthy by Brazilian standards,” when, as the defendant knew, the family of the boy was impoverished.

In violation of Title 18, United States Code, Section 1001.

NOTICE OF FORFEITURE

THE GRAND JURY FURTHER CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Sections 2251 and 2252 set forth in this superseding indictment, defendant

LAWRENCE SCOTT WARD

shall forfeit to the United States of America the following:

- a. any visual depiction described in Title 18, United States Code, Sections 2251 and 2252, or any book, magazine, periodical, film, videotape, or other matter which contains any such visual depiction, which was produced, transported, mailed, shipped, or received in violation of such offense;
- b. any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from such an offense; and
- c. any property, real or personal, used or intended to be used to commit or to promote the commission of such offense, including but not limited to an IBM laptop computer, model number 2629-UTU, serial number 78-FZG58 09/01.

2. If any of the property subject to forfeiture, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;

- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 18, United States Code, Section 2253(o), to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 18, United States Code, Section 2253.

A TRUE BILL:

GRAND JURY FOREPERSON

LAURIE MAGID
Acting United States Attorney